

MAY 21 2019

IN THE UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

David J. Bradley, Clerk of Court

UNITED STATES OF AMERICA

v.

STEVEN RICHARDSON  
and KIM RICHARDSON

§  
§  
§  
§  
§  
§

CRIMINAL NO. 19-369

INDICTMENT

THE GRAND JURY CHARGES:

At all times material to this Indictment:

COUNT ONE

(Conspiracy to Commit Wire Fraud, 18 U.S.C. § 371)

A. INTRODUCTION

1. The defendants, **STEVEN RICHARDSON** and **KIM RICHARDSON**, maintained a residence in Richmond, Texas in the Southern District of Texas but operated in Texas and throughout the United States.
2. Beginning in or about 2000, the exact date being unknown to the grand jury, and continuing through April 2019, defendants **STEVEN RICHARDSON** and **KIM RICHARDSON** traveled repeatedly from their Richmond, Texas, residence to various retail stores throughout the Southern District of Texas and elsewhere.
3. Defendants stole various types of merchandise from retail stores, including but not limited to electric toothbrushes, toys, and electric shavers.

4. Defendants sold the stolen merchandise on eBay, an online auction site, and also to online buyers outside the eBay platform, usually at a price below the normal retail value of the merchandise.
5. Defendants received payment for the stolen merchandise from their eBay and other online customers via PayPal, an online payment site.
6. The computer servers for eBay and PayPal are outside the state of Texas.
7. Defendants used shoplifting paraphernalia such as large bags, EAS (Electronic Article Surveillance) deactivation devices, spider wrap magnet hand keys, foil tape, razorblade knives, and magnetic detachers to accomplish their thefts.
8. After receiving payment, defendants mailed or caused their daughter to mail, stolen merchandise via the United States Postal Service, United Parcel Service, and Federal Express to buyers in Texas and throughout the United States.
9. As part of the eBay registration process, all eBay users must agree to comply with eBay's User Agreement. In the User Agreement, eBay specified various "restricted activities" from which all users agreed to refrain, including selling stolen items. Any eBay user that did not represent that he or she would abide by the restrictions contained in eBay's User Agreement was not permitted to use eBay's services. Additionally, eBay advised all of its users in a separate policy statement that the sale of stolen property was "strictly prohibited" on eBay.

10. eBay also had a policy prohibiting moving sales outside the eBay platform, and specifically that buyers and sellers "...can't use information they've obtained on eBay to contact each other to buy or sell off eBay."

11. Defendants used rented vehicles when stealing merchandise.

12. Defendants falsely told buyers they had "warehouses" in different parts of the United States, that they received "shipments," and communicated via email with buyers posing as fictitious employees.

13. With other buyers, defendants omitted the material fact that the merchandise being sold was stolen.

14. During the period of the conspiracy, **STEVEN RICHARDSON** and **KIM RICHARDSON** received approximately \$3.8 million dollars into PayPal accounts they created and controlled, but unlike a legitimate business, they did not pay personal or business income taxes, file income tax returns, pay payroll taxes, or buy millions of dollars in inventory.

**B. THE CONSPIRACY**

15. From in or about 2000 through in or about April, 2019, in the Houston Division of the Southern District of Texas and elsewhere,

**STEVEN RICHARDSON and KIM RICHARDSON**

defendants herein, did knowingly combine, conspire, confederate, and agree with others known and unknown to commit the following offense against the United

States, that is: to knowingly execute and attempt to execute a scheme and artifice to defraud, and to obtain moneys, funds, and credits owned by and under the custody and control of online buyers, by means of material false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1343.

**C. MANNER AND MEANS OF THE CONSPIRACY**

16. The defendants and their co-conspirators sought to accomplish the purpose of the conspiracy by the following manner and means, among other things:

a. Defendants stole merchandise from retail merchants in the Southern District of Texas and throughout the United States, which they sold on eBay and directly to buyers via email.

b. Defendants sold merchandise they knew was stolen through eBay and in direct sales via email without revealing, and affirmatively concealing from, purchasers that the items were stolen.

c. Defendants falsely represented and created the false pretense that they had lawful possession of, and could lawfully transfer ownership rights to, the property they sold by listing those items for sale on eBay or offering them for sale by email.

d. Defendants created the false pretense they were legitimate sellers by telling buyers they had “employees,” were receiving “shipments,” and had “warehouses” throughout the United States, which was untrue.

e. Defendants communicated with online buyers using fictitious names.

f. Defendants created and controlled eBay and PayPal accounts in their own names and in the names of their grown children.

g. Defendants stored stolen property at places within the Southern District of Texas, including their residence.

h. After concluding sales on eBay and via email, defendants caused stolen items to be shipped to purchasers in interstate and foreign commerce via United States mail, United Parcel Service, and Federal Express.

i. Defendants caused the buyers of stolen merchandise to transmit payment to PayPal accounts they created and controlled.

#### **D. ACTS IN FURTHERANCE OF THE CONSPIRACY**

To achieve the purpose of the conspiracy, the defendants, in the Southern District of Texas and elsewhere, committed and caused to be committed the following acts in furtherance of the conspiracy:

1. On or about August 12, 2000, **STEVEN RICHARDSON** and **KIM RICHARDSON** stole retail merchandise at a store in Houston, Texas.

2. On or about February 8, 2001, **STEVEN RICHARDSON** opened an account on eBay with user name "kimmsteve."
3. On or about March 5, 2001, **KIM RICHARDSON** opened an account on eBay with user name "qurbis1."
4. On or about March 5, 2001, **STEVE RICHARDSON** and **KIM RICHARDSON** opened or caused to be opened an eBay account in the name of their son with user name "qurbis3."
5. On or about March 14, 2001, **STEVE RICHARDSON** and **KIM RICHARDSON** opened or caused to be opened an eBay account in the name of their daughter with user name "qurbis2."
6. On or about March 27, 2001, **STEVEN RICHARDSON** and **KIM RICHARDSON** opened or caused to be opened a PayPal account ending in #6419 with registered user **KIM RICHARDSON**.
7. On or about September 9, 2001, **STEVEN RICHARDSON** and **KIM RICHARDSON** opened or caused to be opened a PayPal account ending in #2293 with their daughter as the registered user.
8. On or about August 22, 2003, **STEVEN RICHARDSON** and **KIM RICHARDSON** opened or caused to be opened a PayPal account ending in #7374 with their son as the registered user.

9. On or about October 14, 2003, **KIM RICHARDSON** stole retail merchandise at a store in Humble, Texas.
10. On or about December 3, 2010, **STEVEN RICHARDSON** and **KIM RICHARDSON** stole retail merchandise at a store in Travis County, Texas.
11. On or about December 22, 2010, defendant **KIM RICHARDSON** rented a Cadillac CTS Wagon with Texas license plate ending in "G901."
12. On or about March 14, 2011, **STEVEN RICHARDSON** and **KIM RICHARDSON** opened or caused to be opened a PayPal account ending in #1774 with registered user **STEVEN RICHARDSON**.
13. On or about July 30, 2011, **STEVEN RICHARDSON** and **KIM RICHARDSON** stole retail merchandise at a store in Denton County, Texas.
14. On or about July 16, 2014, **STEVEN RICHARDSON** and **KIM RICHARDSON** stole retail merchandise at a store in the Southern District of Texas.
15. On or about August 11, 2014, **STEVEN RICHARDSON** and **KIM RICHARDSON** mailed via United Parcel Service stolen electric toothbrushes to a buyer in San Antonio, Texas.
16. On or about August 12, 2014, **STEVEN RICHARDSON** sent a buyer an email stating, "hello, we sent two boxes 1 from each of our warehouses" and included two tracking numbers from United Parcel Service.

17. On or about November 30, 2014, **STEVEN RICHARDSON** and **KIM RICHARDSON** rented a Cadillac Escalade with a Florida license plate ending in "99ZV" under the name of **KIM RICHARDSON**'s elderly mother.
18. On or about December 9, 2014, **STEVEN RICHARDSON** and **KIM RICHARDSON** stole retail merchandise at a store in Harris County, Texas. The defendants accomplished the theft using shoplifting paraphernalia that included a large bag, two EAS (Electronic Article Surveillance) deactivation devices, a spider wrap magnet hand key, foil tape, and a razorblade knife.
19. On or about December 17, 2014, **STEVEN RICHARDSON** purchased a "magnetic detacher" from eBay.
20. On or about January 20, 2015, **STEVEN RICHARDSON** purchased a "detacher magnetic key for shopping mall hook lock anti theft anti sweep 6 m NN" from eBay.
21. On or about February 24, 2015, **STEVEN RICHARDSON** and **KIM RICHARDSON** emailed or caused to be emailed a buyer stating:
- Hello, I have sent you a bill # 22015 for a shipment of 13 boxes containing:  
1038 explorer titles – titles as per listed  
45 xdUltra & 18 leap tv systems @ . 26 kiddieWatches @ \$20.00  
ea. Grand Total \$8230.00  
Free shipping. –Thank you! Gavin
22. On or about April 9, 2015, **STEVEN RICHARDSON** emailed a buyer in San Antonio saying:



Hell [sic], We had your boxes shipped from our fla. warehouse. They should have arrived on Monday...but they did not. due to My miscommunication with a new employee they arrived on Monday..but at our home. We did not know of a problem until your emails as we have been traveling home from weddings in Utah. We loose [sic] both sprint & Att in New Mexico. We were able to get in touch with our housekeeper, have her remove the shipping labels & take the 6 boxes to office depot for ups shipment Today (..weds.) When I can get a signal I will have Mrs. Wilson send you the tracking numbers – or – if I get home in time I will send them. You will most likely receive the pkgs. Before I get home. I am sorry for the delay & problem. Steve

23. On or about July 20, 2015, **STEVEN RICHARDSON** emailed a buyer offering to sell merchandise outside the eBay platform saying:

Hello, you sent an email stating you are interested in buying 4 Norelco 9500 razors via papal [sic]. I cannot reply using ebays email system. We can correspond through regular email.” “...we can answer questions using our yahoo email NOT EBAY Email. regards, steve

24. On or about February 10, 2016, **STEVEN RICHARDSON** and **KIM RICHARDSON** stole merchandise from various retailers in the Southern District of Texas.

25. On or about February 11, 2016, **STEVEN RICHARDSON** and **KIM RICHARDSON** unloaded stolen merchandise into their residence in the Southern District of Texas.

26. On or about February 11, 2016, **STEVEN RICHARDSON** and **KIM RICHARDSON** drove from their residence to a rented storage unit located in the

Southern District of Texas and unloaded stolen merchandise into a storage unit registered in the name of their grown son.

27. On or about February 11, 2016, **STEVEN RICHARDSON** and **KIM RICHARDSON** traveled to various retailers in the Southern District of Texas and stole various items including Lego products, aluminum foil, and soft drinks.

28. On or about March 3, 2016, **STEVEN RICHARDSON** and **KIM RICHARDSON** mailed via United Parcel Service seven boxes of stolen electric toothbrushes to a buyer in San Antonio, Texas.

29. On or about April 25, 2016, **STEVEN RICHARDSON** emailed a buyer saying, "Hello, we have the following Sonicare in stock. 26 black, 21 white, 28 amethyst, and 1#9 diamond. If you are interested, let me know. Regards, Steve."

30. On or about April 26, 2016, **STEVEN RICHARDSON** sent two PayPal invoices to a buyer in San Antonio.

31. On or about September 26, 2016, **KIM RICHARDSON** rented a Silver Infinity QX80 with a Texas license plate ending in 2503.

32. On or about November 11, 2016, **KIM RICHARDSON** emailed a buyer saying:

hello, just a heads up due to lag times in shipping (us waiting for shipments from vendors) we have taken the following action. Chad will now call on vendors AND pick up toys. instead of the shipping them to Houston or chad holding them at a warehouse and waiting for one large shipment, he will collect toys and ship as little as 4-5 boxes direct to you UNBILLED. When the unbilled total reach 2 – 4 k we will send a bill for the already shipped

items. They will come as boxes marked UB (unbilled) 1 , UB2 etc. we hope in this way our vendors will have more to ship more frequently. Right now we wait for them to pool a shipment then we pool shipments and it seems to take forever. We will give this a try and see if it works better. **YOU WILL RECEIVE THE FIRST BATCH TODAY...FRIDAY.** You will received 5 boxes (2 with platinums,/ 1 with watches...kidizoom, 1 w lego's, 1 w mixed Thomas, leapsters & lego's.) Chad will have to send tracking faster. Let me know if this will be ok with you. Also leapfrog has a reading system with the hardware retailing for around \$39.99 for one of two systems [your cost would be \$10] and interactive books retail at \$13.99 [your cost would be \$4.00] let us know if you are interested. Let us know what Thomas and lego's you would need or if we are shipping the wrong mix, etc. thank you, Kim

33. On or about November 15, 2016, **STEVEN RICHARDSON** and **KIM RICHARDSON** stole or attempted to steal retail merchandise at a store in Fort Bend County, Texas.

34. On or about May 31, 2017, **KIM RICHARDSON** sent a PayPal invoice to a buyer in San Antonio for 81 stolen electric toothbrushes "coming ups 81 pieces in 9 boxes."

35. On or about June 5, 2017, **STEVEN RICHARDSON** and **KIM RICHARDSON** mailed via United Parcel Service nine boxes of stolen electric toothbrushes to a buyer in San Antonio, Texas.

## **COUNT TWO**

### **[18 U.S.C. § 1956(h)—Money Laundering Conspiracy]**

1. All paragraphs in Count One of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or about 2001 through in or about April 2019, in the Houston Division of the Southern District of Texas and elsewhere, the defendants

**STEVEN RICHARDSON and KIM RICHARDSON**

did knowingly and intentionally combine, conspire, confederate and agree with each other and with other persons known and unknown to the Grand Jury, knowing that the property involved represented the proceeds of some form of unlawful activity, to conduct and attempt to conduct financial transactions affecting interstate and foreign commerce that involved the proceeds of a specified unlawful activity, that is, wire fraud, in violation of 18 U.S.C. § 1343, knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, in violation of Title 18 U.S.C. 1956(a)(1)(B)(i).

All in violation of 18 U.S.C. § 1956(h).

**NOTICE OF CRIMINAL FORFEITURE**  
18 U.S.C. § 981(a)(1)(C); 28 U.S.C. § 2461(c)

Pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), the United States gives notice to the defendants

**STEVEN RICHARDSON and KIM RICHARDSON**

that upon conviction of any of the Count One of this Indictment, all property, real or personal, which constitutes or is derived from proceeds traceable to such offense, is subject to forfeiture.

**NOTICE OF CRIMINAL FORFEITURE**  
18 U.S.C. § 982(a)(1)

Pursuant to Title 18, United States Code, Section 981(a)(1), the United States gives notice to the defendants

**STEVEN RICHARDSON and KIM RICHARDSON**

that upon conviction of Count Two of this Indictment, all property, real or personal, involved in money laundering offenses or traceable to such property, is subject to forfeiture.

**Money Judgment and Substitute Assets**

The United States will seek the imposition of a money judgment against each defendant. In the event that a condition listed in Title 21, United States Code

Section 853(p) exists, the United States will seek to forfeit any other property of the defendants in substitution up to the total value of the property subject to forfeiture.

A TRUE BILL:

Original Signature on File

FOREPERSON OF THE GRAND JURY

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